

UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY WASHINGTON, D.C.

Issued by the Department of Transportation on the 24th day of September, 1996

Applications of

ALASKA AIRLINES, INC. AMERICA WEST AIRLINES, INC. AMERICAN AIRLINES, INC. CONTINENTAL AIRLINES, INC. DELTA AIR LINES, INC.

FLAGSHIP AIRLINES, INC. d/b/a AMERICAN EAGLE NORTHWEST AIRLINES, INC.

UNITED AIR LINES, INC.

for certificate authority pursuant to 49 U.S.C. 41102 and/or designations (U.S.-Vancouver and Montreal, Canada)

Dockets	OST-95-716
	OST-95-715
	OST-95-710
	OST-95-826
	OST-95-717
	OST-95-796
	OST-95-812

OST-95-709 OST-95-815 OST-95-711 OST-95-827

ORDER GRANTING AUTHORITY

Summary

By this order we grant the applications of the captioned carriers to provide second year services in the U.S.-Montreal and U.S.-Vancouver markets under the 1995 U.S.-Canada aviation agreement (1995 Agreement).

Background

On February 24, 1995, the United States and Canada signed a new air transport agreement making possible expanded opportunities for the carriers of both countries, including new service at Vancouver and Montreal to be phased in over a two-year period. Specifically, for each of the two years, the United States may designate six carriers for Vancouver and Montreal services, with each carrier being able to operate two daily round-trip frequencies. Second-year designations can be used to authorize services at new cities, or to expand opportunities at cities authorized during the first year. At the end of the transitional period, February 24, 1997, services will not be restricted.

First-year awards for U.S.-Vancouver services were granted to American Airlines for service from Dallas/Ft. Worth; America West Airlines from Phoenix; Delta Air Lines from Salt Lake City; Northwest Airlines from Minneapolis/St. Paul; Reno Air from Reno; and United Air Lines from San Francisco.¹

First-year awards for Montreal services were granted to Continental Airlines for services from New York (Newark); Delta from Atlanta; Flagship Airlines d/b/a American Eagle from New York (JFK); and Northwest from Minneapolis/St. Paul.² Two designations were not used. United Air Lines was subsequently granted exemption authority for a first-year award for services in the Chicago-Montreal market.³

By Notices served September 22, 1995, and October 24, 1995, we solicited applications from U.S. carriers interested in providing services in the U.S.-Vancouver and U.S.-Montreal markets during the second year of the 1995 Agreement. Six carriers filed applications for the six available U.S.-Vancouver opportunities, and five carriers filed applications for the six available U.S.-Montreal opportunities.

¹ See Orders 95-2-53 and 95-9-16 for a full description of the first-year awards in the U.S.-Vancouver market.

² See Orders 95-2-54 and 96-2-46 for a full description of the first-year awards in the U.S.-Montreal market.

³ See Order 96-2-49.

⁴ These notices were served on all U.S. certificated air carriers and are available for viewing in the U.S. Air Carrier Licensing Division, Room 6412, 400 Seventh Street, SW, Washington, DC.

⁵ In order to take advantage of the immediate availability of these services, the Department granted *pendente lite* exemption authority for second-year services in various U.S.-Vancouver and U.S.-Montreal markets. See Orders 96-1-4 and 96-2-49, respectively.

Applications ⁶

A. U.S.-Vancouver

Alaska, America West, American, Delta and United seek certificate authority for the new designations for service in the U.S.-Vancouver market using the available second-year designations. All five carriers plan to inaugurate new U.S.-Vancouver service in the second year. Northwest seeks one of the six available designations to inaugurate new service from Los Angeles.⁷

B. U.S.-Montreal

Delta, United, Continental, Flagship and Northwest applied for second year Montreal service. Delta and United would use the new designations to inaugurate new U.S.-Montreal services. Continental, Flagship d/b/a American Eagle, and Northwest would use the second-year designations to increase their services at cities authorized during the first year. United would use the designation to increase service at Chicago by one daily frequency (authorized for a first-year award) and to inaugurate new service in the Miami-Montreal market also with one daily frequency. United's Chicago-Montreal and Miami-Montreal services are operated pursuant to a code-share arrangement with Air Canada.

These applications are described more fully in the Appendices to this order.

American, Delta and United filed answers noting that the applications were not mutually exclusive and urged the Department to grant all of the second-year requests.

⁶ The applicants have filed and perfected each application as required by 14 CFR 201 and served the applications as required by 14 CFR 302.1705.

The Department granted Northwest exemption authority to serve the Detroit-Vancouver market, and modified its *pendente lite* second-year frequency allocation (See Order 96-1-4) to allocate one flight for additional services in the Minneapolis/St. Paul market and one flight for services in the Detroit-Montreal market. See Order 96-2-49. Subsequently, Northwest changed its plans and the Department granted Northwest exemption authority to serve the Los-Angeles-Vancouver market and amended Order 96-2-49 to authorize Northwest to shift its two second-year U.S.-Vancouver frequencies from the Minneapolis-Vancouver and Detroit-Vancouver markets to the Los Angeles-Vancouver market. See Order 96-9-1.

⁸ The Department granted United exemption authority to serve the Chicago-Montreal market. See Order 96-2-49.

⁹ United's application also sought certificate authority to serve the Los Angeles-Toronto and Montreal markets. United's application for this authority does not involve the limited designations for Montreal and Toronto services. We will address that aspect of United's application in a separate order.

Decision

We find that approval of the applications filed by the captioned carriers for U.S.-Vancouver and U.S.-Montreal services during the second year under the 1995 Agreement is consistent with the public interest. All of the proposed services will contribute to the variety of price and service options available to travelers and shippers in the Vancouver and Montreal markets. Moreover, all of the authority requested is consistent with the provisions of the 1995 U.S.-Canada Air Transport Agreement. In some cases our authorization of second-year services involves the award of new certificate authority. In other cases it involves designations only. To the extent we are awarding new certificate authority, we find that the carriers authorized--Alaska, America West, American, Delta, and United--are fit to provide the authorized services. Each has previously been found to be a citizen of the United States and fit to provide scheduled foreign air transportation. Furthermore, we find that the public interest does not require an oral evidentiary hearing or a show-cause proceeding on any of these applications. There are no material, determinative issues of fact requiring such procedures for their resolution.

Terms, Conditions and Limitations

We will issue Alaska, America West, American, Delta, and United new temporary, experimental certificates. ¹¹ The certificates will be subject to the standard terms, conditions, and limitations applicable to U.S. carrier certificates. In addition, consistent with the terms of the 1995 U.S.-Canada Agreement, the certificates will also include standard terms and conditions applicable to Canadian operations. ¹² Finally, consistent with the awards made for first-year services at Vancouver and Montreal, the second-year certificates awarded here for the new U.S.-Vancouver and Montreal services will also include a 45-day dormancy provision. The dormancy provision will act to cause the authority to expire automatically and be available for award to another carrier if service is not provided for a 45-day period. ¹³ Where the second-year awards required designation only, for the same reasons, we will also make those awards effective for five years and subject the designations to a 45-day dormancy provision.

_

¹⁰ See Orders 96-5-9 and 95-9-16. In addition, we find that grant of these applications will not constitute a "major regulatory action" under the Energy, Policy and Conservation Act of 1975, since grant of each application would not result in a near-term increase in annual fuel consumption in excess of 10 million gallons.

gallons.

11 For those services operated under current exemptions, those exemptions will expire in accordance with their own terms 90 days after issuance of this order.

¹² See Orders 95-6-26 and 95-9-16.

¹³ See Order 95-9-16 at 5.

ACCORDINGLY,

1. We authorize the following carriers to provide second-year services in the U.S.-Vancouver market under the 1995 U.S.-Canada Aviation Agreement:

<u>Carrier</u>	Terminal Points	Type of Authority
Alaska	Los Angeles, CA	Certificate
America West	Las Vegas, NV	Certificate
American	New York, NY Miami, FL	Certificate
Delta	Cincinnati, OH Atlanta, GA	Certificate
Northwest	Los Angeles, CA	Designation
United	Denver - Vancouver Los Angeles - Vancouver	Certificate

2. We authorize the following carriers to provide second-year services in the U.S.-Montreal market under the 1995 U.S.-Canada Aviation Agreement:

<u>Carrier</u>	Terminal Points	Type of Authority
Continental	Newark, NJ/New York, NY	Designation
Delta	Cincinnati, OH	Certificate
Flagship d/b/a American Eagle	New York, NY	Designation
Northwest	Minneapolis/St. Paul, MN	Designation
United	Miami, FL Chicago, IL	Certificate (Miami) Designation
(Chicago)		Ç

- 3. The certificates issued by this order will be effective 30 days after the service date of this order, subject to the extension of those effective dates in accordance with the provisions of the certificates:
- 4. The selections of Northwest for second-year U.S.-Vancouver services and the selections of

Continental Airlines, Flagship d/b/a American Eagle, Northwest Airlines, and United Air Lines for second-year U.S.-Montreal services will be effective for a period of five years from the effective date of this order and are subject to the condition that the designations will expire automatically and will revert back to the Department for reallocation if they are not used for a period of 45 days;

- 5. To the extent that any of the operations authorized by this order are conducted under an authorized code-share arrangement, the following conditions apply: the code-sharing operations must comply with 14 CFR 399.88 of the Department's regulations and any amendments to the Department's regulations concerning code-share arrangements that may be adopted and are expressly conditioned upon the requirements that the subject foreign air transportation be sold in the name of the carrier holding out such service in computer reservations systems and elsewhere; and that the carrier selling such transportation accept all obligations established in its contract of carriage with the passenger (*i.e.*, the ticket); that the operator shall not permit the code of its U.S. air carrier code-sharing partner to be carried on any flight that enters, departs, or transits the airspace of any area for whose airspace the Federal Aviation Administration has issued a flight prohibition; and that the code-share operations must comply with the code-share provisions of the 1995 U.S.-Canada aviation agreement;
- 6. We defer action on the application of United Air Lines, Inc., in Docket OST-95-827, to the extent it requests certificate authority to provide air transportation of persons, property, and mail between Los Angeles, California, and Toronto and Montreal, Canada;
- 7. Unless disapproved by the President of the United States under 49 U.S.C. 41307, this order shall become effective upon the 61st day after its submission for section 41307 review, or upon the date of receipt of advice from the President or his designee under Executive Order 12597 and implementing regulations that he or she does not intend to disapprove the Department's order under that section, whichever occurs earlier; ¹⁴ and

1

¹⁴ This order was submitted for section 41307 review on September 24, 1996. On October 21, 1996, we received notification that the President's designee under Executive Order 12597 and implementing regulations did not intend to disapprove the Department's order.

8. We will serve this order on the parties to the captioned dockets of this order, the Ambassador of Canada in Washington, D.C., the U.S. Department of State (Office of Aviation Negotiations), and the Federal Aviation Administration (AFS-200).

By:

CHARLES A. HUNNICUTT Assistant Secretary for Aviation and International Affairs

(SEAL)

U.S.-VANCOUVER APPLICATIONS

CARRIER	DOCKET	PROPOSAL
Alaska	OST-95-716	Los Angeles-Vancouver; two daily flights; MD-80.
America West	OST-95-715	Las Vegas - Vancouver; two daily flights; behind gateway service to Orange County and Milwaukee; B-737 and A-320.
American	OST-95-710	New York-Vancouver; one daily flight; B-757; Miami - Vancouver; one daily flight; B-757.
Delta	OST-95-717	Cincinnati-Vancouver; one daily flight; Atlanta-Vancouver; one daily flight; B-757 or B-727.
Northwest	OST-95-709	Los Angeles-Vancouver; two daily flights; code-share with Alaska Airlines; MD-80.
United Air Lines	OST-95-711	Denver-Vancouver; one daily flight; B-737; Los Angeles-Vancouver; one daily flight; B-737.

APPENDIX B

U.S.-MONTREAL CERTIFICATE/FREQUENCY APPLICATIONS

CARRIER	DOCKET	PROPOSAL
Continental	OST-95-826	Newark/New York-Montreal; two daily flights; B-737 or ATR-42/72.
Delta	OST-95-796	Cincinnati-Montreal; two daily flights; B-727.
Flagship d/b/a American Eagle	OST-95-812	New York-Montreal; two daily flights; ATR-42.
Northwest	OST-95-815	Minneapolis/St. Paul-Montreal; two daily flights; Detroit-Montreal; one daily flight; DC-9-30.
United	OST-95-827	Chicago-Montreal; one daily flight; code-share with Air Canada; Miami-Montreal; one daily flight; code-share with Air Canada; integrate services on these routes with United's existing route authorizations consistent with international agreements. Los Angeles-Toronto/Montreal.*

^{*} United's application also requested authority to serve the Los Angeles-Montreal/Toronto markets. That portion of United's application will be handled by separate order.



Experimental Certificate of Public Convenience and Necessity

for

Route #714

This Certifies That

ALASKA AIRLINES, INC.

is authorized, subject to the provisions of Subtitle VII of Title 49 of United States Code, the orders, rules, and regulations issued thereunder, and the attached Terms, Conditions, and Limitations, to engage in foreign air transportation of persons, property, and mail.

This Certificate is not transferable without the approval of the Department of Transportation.

By Direction of the Secretary

Issued by Order 96-10-30 On September 24. 1996 Effective on November 27, 1996 Charles A. Hunnicutt Assistant Secretary for Aviation and International Affairs

Page 1 of 3

Terms, Conditions and Limitations

Alaska Airlines, Inc. for Route #714

is authorized to engage in foreign air transportation of persons, property and mail:

Between the terminal point Los Angeles, California, and the terminal point Vancouver, British Columbia, Canada.

This authority is subject to the following provisions:

- (1) The holder shall at all times conduct its operations in accordance with the regulations prescribed by the Department of Transportation for the services authorized by this certificate, and with such other reasonable terms, conditions, and limitations as the Department of Transportation may prescribe in the public interest.
- (2) The holder shall at all times conduct its operations in accordance with all treaties and agreements between the United States and other countries, and the exercise of the privileges granted by this certificate is subject to compliance with such treaties and agreements and with any orders of the Department of Transportation issued under them or for the purpose of requiring compliance with them.
- (3) The exercise of the authority granted here is subject to the holder's first obtaining from the appropriate foreign governments such operating rights as may be necessary.
- (4) The holder's authority is effective only to the extent that such operations are also authorized by the Federal Aviation Administration (FAA).
- (5) The holder shall at all times remain a "Citizen of the United States" as required by 49 U.S.C. 40102(a)(15).

^{*} This certificate is issued to reflect new authority to serve the Los Angeles-Vancouver market.

It also incorporates new standard terms and conditions applicable to U.S. carrier certificates and specific conditions applicable to U.S.-Canada operations.

- (6) The holder shall maintain in effect liability insurance coverage as required under 14 CFR Part 205. Failure to maintain such insurance coverage will render a certificate ineffective, and this or other failure to comply with the provisions of Subtitle VII of 49 U.S.C. or the Department's regulations shall be sufficient grounds to revoke this certificate.
- (7) Should the holder propose any substantial change in its ownership, management, or operations (as that term is defined in 14 CFR 204.2(n)), it must first comply with the requirements of 14 CFR 204.5.
- (8) In the event that the holder commences operations for which it was found "fit, willing, and able" and subsequently ceases all such operations, its authority under this certificate shall be suspended under the terms of 14 CFR 204.7 and the holder may not recommence nor advertise such operations unless its fitness to do so has been redetermined by the Department.
- (9) The holder acknowledges that this certificate is granted to determine if the holder's projected services, efficiencies, methods, rates, fares, charges, and other projected results will, in fact, materialize and remain for a sustained period of time, and to determine whether the holder will provide the innovative and low-priced air transportation it proposed in its application for this authority.
- (10) Any all-cargo services operated under this certificate shall be subject to the following condition:

Points in the territory of Canada shall not be combined on any same plane scheduled or nonscheduled all-cargo courier service operated with aircraft having a maximum certificated takeoff weight greater than 35,000 pounds.

- (11) In addition to the authority granted on this certificate, the holder may also conduct operations beyond points in Canada to points in third countries that it holds authority to serve, without local traffic rights between points in Canada and such other points in third countries (*i.e.*, on a blind sector basis).
- (12) The holder shall file notice with the Department if it discontinues service on this route for 45 days or longer. This notice shall be given as soon as a decision to discontinue service (other than seasonally) is made, but in no case later than the 46th day of dormancy. Notices shall be filed in the form of a letter addressed to the U.S. Department of Transportation, U.S. Air Carrier Licensing Division, X-44, 400 Seventh Street, SW, Washington, DC 20590, and shall identify the dormant route segment, the certificated route number, and the date the 45th day of dormancy will or did occur.

Order 96-10-30 Route #714 Page 3 of 3

This certificate shall become effective November 27, 1996; *provided, however*, that prior to the date on which the certificate would otherwise become effective, the Department either on its own initiative or upon the timely filing of a petition for reconsideration of the order issuing this certificate may by order or orders extend such effective date from time to time. It shall expire five years thereafter unless the Department earlier suspends, modifies, or deletes the authority.

Notwithstanding the above, however, the authority to serve shall expire: (a) the 45th day after the holder discontinues service on that segment or (b) the date the holder notifies the Department (as provided in this certificate), that the route is dormant, whichever occurs earlier; unless the Department earlier suspends, modifies, or deletes the authority.



Experimental Certificate of Public Convenience and Necessity

for

Route #715

This Certifies That

AMERICA WEST AIRLINES, INC.

is authorized, subject to the provisions of Subtitle VII of Title 49 of United States Code, the orders, rules, and regulations issued thereunder, and the attached Terms, Conditions, and Limitations, to engage in foreign air transportation of persons, property, and mail.

This Certificate is not transferable without the approval of the Department of Transportation.

By Direction of the Secretary

Issued by Order 96-10-30 On September 24, 1996 Effective on November 27, 1996 Charles A. Hunnicutt
Assistant Secretary for Aviation
and International Affairs

Terms, Conditions and Limitations

America West Airlines, Inc. for Route #715

is authorized to engage in foreign air transportation of persons, property and mail:

Between the terminal point Las Vegas, Nevada, and the terminal point Vancouver, British Columbia, Canada.

This authority is subject to the following provisions:

- (1) The holder shall at all times conduct its operations in accordance with the regulations prescribed by the Department of Transportation for the services authorized by this certificate, and with such other reasonable terms, conditions, and limitations as the Department of Transportation may prescribe in the public interest.
- (2) The holder shall at all times conduct its operations in accordance with all treaties and agreements between the United States and other countries, and the exercise of the privileges granted by this certificate is subject to compliance with such treaties and agreements and with any orders of the Department of Transportation issued under them or for the purpose of requiring compliance with them.

- (6) The holder shall maintain in effect liability insurance coverage as required under 14 CFR Part 205. Failure to maintain such insurance coverage will render a certificate ineffective, and this or other failure to comply with the provisions of Subtitle VII of Title 49 U.S.C. or the Department's regulations shall be sufficient grounds to revoke this certificate.
- (7) Should the holder propose any substantial change in its ownership, management, or operations (as that term is defined in 14 CFR 204.2(n)), it must first comply with the requirements of 14 CFR 204.5.
- (8) In the event that the holder commences operations for which it was found "fit, willing, and able" and subsequently ceases all such operations, its authority under this certificate shall be suspended under the terms of 14 CFR 204.7 and the holder may not recommence nor advertise such operations unless its fitness to do so has been redetermined by the Department.
- (9) The holder acknowledges that this certificate is granted to determine if the holder's projected services, efficiencies, methods, rates, fares, charges, and other projected results will, in fact, materialize and remain for a sustained period of time, and to determine whether the holder will provide the innovative and low-priced air transportation it proposed in its application for this authority.
- (10) Any all-cargo services operated under this certificate shall be subject to the following condition:

Points in the territory of Canada shall not be combined on any same plane scheduled or nonscheduled all-cargo courier service operated with aircraft having a maximum certificated takeoff weight greater than 35,000 pounds.

- (11) In addition to the authority granted on this certificate, the holder may also conduct operations beyond points in Canada to points in third countries that it holds authority to serve, without local traffic rights between points in Canada and such other points in third countries (*i.e.*, on a blind sector basis).
- (12) The holder shall file notice with the Department if it discontinues service on segment 1 of this certificate for 45 days or longer. This notice shall be given as soon as a decision to discontinue service (other than seasonally) is made, but in no case later than the 46th day of dormancy. Notices shall be filed in the form of a letter addressed to the U.S. Department of

Order 96-10-30 Route #715 Page 3 of 3

This certificate shall become effective November 27, 1996; *provided, however*, that prior to the date on which the certificate would otherwise become effective, the Department either on its own initiative or upon the timely filing of a petition for reconsideration of the order issuing this certificate may by order or orders extend such effective date from time to time. It shall expire five years thereafter unless the Department earlier suspends, modifies, or deletes the authority.

Notwithstanding the above, however, the authority to serve shall expire: (a) the 45th day after the holder discontinues service on that segment or (b) the date the holder notifies the Department (as provided in this certificate), that the route is dormant, whichever occurs earlier; unless the Department earlier suspends, modifies, or deletes the authority.



Terms, Conditions and Limitations

American Airlines, Inc. for Route #716

is authorized to engage in foreign air transportation of persons, property and mail:

Between the terminal points New York, New York; and Miami, Florida; and the terminal point Vancouver, British Columbia, Canada.

This authority is subject to the following provisions:

- (1) The holder shall at all times conduct its operations in accordance with the regulations prescribed by the Department of Transportation for the services authorized by this certificate, and with such other reasonable terms, conditions, and limitations as the Department of Transportation may prescribe in the public interest.
- (2) The holder shall at all times conduct its operations in accordance with all treaties and agreements between the United States and other countries, and the exercise of the privileges granted by this certificate is subject to compliance with such treaties and agreements and with any orders of the Department of Transportation issued under them or for the purpose of requiring compliance with them.
- (3) The exercise of the authority granted here is subject to the holder's first obtaining from the appropriate foreign governments such operating rights as may be necessary.
- (4) The holder's authority is effective only to the extent that such operations are also authorized by the Federal Aviation Administration (FAA).
- (5) The holder shall at all times remain a "Citizen of the United States" as required by 49 U.S.C. 40102(a)(15).

^{*} This certificate is issued to reflect new authority to serve the New York/Miami-Vancouver markets. It also incorporates new standard terms and conditions applicable to U.S. carrier certificates and specific conditions applicable to U.S.-Canada operations.

- (6) The holder shall maintain in effect liability insurance coverage as required under 14 CFR Part 205. Failure to maintain such insurance coverage will render a certificate ineffective, and this or other failure to comply with the provisions of Subtitle VII of Title 49 U.S.C. or the Department's regulations shall be sufficient grounds to revoke this certificate.
- (7) Should the holder propose any substantial change in its ownership, management, or operations (as that term is defined in 14 CFR 204.2(n)), it must first comply with the requirements of 14 CFR 204.5.
- (8) In the event that the holder commences operations for which it was found "fit, willing, and able" and subsequently ceases all such operations, its authority under this certificate shall be suspended under the terms of 14 CFR 204.7 and the holder may not recommence nor advertise such operations unless its fitness to do so has been redetermined by the Department.
- (9) The holder acknowledges that this certificate is granted to determine if the holder's projected services, efficiencies, methods, rates, fares, charges, and other projected results will, in fact, materialize and remain for a sustained period of time, and to determine whether the holder will provide the innovative and low-priced air transportation it proposed in its application for this authority.
- (10) Any all-cargo services operated under this certificate shall be subject to the following condition:

Points in the territory of Canada shall not be combined on any same plane scheduled or nonscheduled all-cargo courier service operated with aircraft having a maximum certificated takeoff weight greater than 35,000 pounds.

- (11) In addition to the authority granted on this certificate, the holder may also conduct operations beyond points in Canada to points in third countries that it holds authority to serve, without local traffic rights between points in Canada and such other points in third countries (*i.e.*, on a blind sector basis).
- (12) The holder shall file notice with the Department if it discontinues service on segment 1 of this certificate for 45 days or longer. This notice shall be given as soon as a decision to discontinue service (other than seasonally) is made, but in no case later than the 46th day of dormancy. Notices shall be filed in the form of a letter addressed to the U.S. Department of Transportation, U.S. Air Carrier Licensing Division, X-44, 400 Seventh Street SW, Washington, DC 20590, and shall identify the dormant route segment, the certificated route number, and the date the 45th day of dormancy will or did occur.

Order 96-10-30 Route #716 Page 3 of 3

This certificate shall become effective November 27, 1996; *provided, however*, that prior to the date on which the certificate would otherwise become effective, the Department either on its own initiative or upon the timely filing of a petition for reconsideration of the order issuing this certificate may by order or orders extend such effective date from time to time. It shall expire five years thereafter unless the Department earlier suspends, modifies, or deletes the authority.

Notwithstanding the above, however, the authority to serve shall expire: (a) the 45th day after the holder discontinues service on that segment or (b) the date the holder notifies the Department (as provided in this certificate), that the route is dormant, whichever occurs earlier; unless the Department earlier suspends, modifies, or deletes the authority.



Terms, Conditions and Limitations

Delta Air Lines, Inc., for Route #717

is authorized to engage in foreign air transportation of persons, property and mail:

Between the terminal points Cincinnati, Ohio; and Atlanta, Georgia; and the terminal point Vancouver, British Columbia, Canada.

This authority is subject to the following provisions:

- (1) The holder shall at all times conduct its operations in accordance with the regulations prescribed by the Department of Transportation for the services authorized by this certificate, and with such other reasonable terms, conditions, and limitations as the Department of Transportation may prescribe in the public interest.
- (2) The holder shall at all times conduct its operations in accordance with all treaties and agreements between the United States and other countries, and the exercise of the privileges granted by this certificate is subject to compliance with such treaties and agreements and with any orders of the Department of Transportation issued under them or for the purpose of requiring compliance with them.
- (3) The exercise of the authority granted here is subject to the holder's first obtaining from the appropriate foreign governments such operating rights as may be necessary.
- (4) The holder's authority is effective only to the extent that such operations are also authorized by the Federal Aviation Administration (FAA).
- (5) The holder shall at all times remain a "Citizen of the United States" as required by 49 U.S.C. 40102(a)(15).
- (6) The holder shall maintain in effect liability insurance coverage as required under 14 CFR Part 205. Failure to maintain such insurance coverage will render a certificate ineffective, and this or other failure to comply with the provisions of Subtitle VII of Title 49 U.S.C. or the Department's regulations shall be sufficient grounds to revoke this certificate.

^{*} This certificate is issued to reflect new authority to serve the Cincinnati/Atlanta-Vancouver markets. It also incorporates new standard terms and conditions applicable to U.S. carrier certificates and specific conditions applicable to U.S.-Canada operations.

- (7) Should the holder propose any substantial change in its ownership, management, or operations (as that term is defined in 14 CFR 204.2(n)), it must first comply with the requirements of 14 CFR 204.5.
- (8) In the event that the holder commences operations for which it was found "fit, willing, and able" and subsequently ceases all such operations, its authority under this certificate shall be suspended under the terms of 14 CFR 204.7 and the holder may not recommence nor advertise such operations unless its fitness to do so has been redetermined by the Department.
- (9) The holder acknowledges that this certificate is granted to determine if the holder's projected services, efficiencies, methods, rates, fares, charges, and other projected results will, in fact, materialize and remain for a sustained period of time, and to determine whether the holder will provide the innovative and low-priced air transportation it proposed in its application for this authority.
- (10) Any all-cargo services operated under this certificate shall be subject to the following condition:

Points in the territory of Canada shall not be combined on any same plane scheduled or nonscheduled all-cargo courier service operated with aircraft having a maximum certificated takeoff weight greater than 35,000 pounds.

- (11) In addition to the authority granted on this certificate, the holder may also conduct operations beyond points in Canada to points in third countries that it holds authority to serve, without local traffic rights between points in Canada and such other points in third countries (*i.e.*, on a blind sector basis).
- (12) The holder shall file notice with the Department if it discontinues service on this route for 45 days or longer. This notice shall be given as soon as a decision to discontinue service (other than seasonally) is made, but in no case later than the 46th day of dormancy. Notices shall be filed in the form of a letter addressed to the U.S. Department of Transportation, U.S. Air Carrier Licensing Division, X-44, 400 Seventh Street SW, Washington, DC 20590, and shall identify the dormant route segment, the certificated route number, and the date the 45th day of dormancy will or did occur.

Order 96-10-30 Route #717 Page 3 of 3

This certificate shall become effective November 27, 1996; provided, however, that prior to the date on which the certificate would otherwise become effective, the Department either on its own initiative or upon the timely filing of a petition for reconsideration of the order issuing this certificate may by order or orders extend such effective date from time to time. It shall expire five years thereafter unless the Department earlier suspends, modifies, or deletes the authority.

Notwithstanding the above, however, the authority to serve shall expire: (a) the 45th day after the holder discontinues service on that segment or (b) the date the holder notifies the Department (as provided in this certificate), that the route is dormant, whichever occurs earlier; unless the Department earlier suspends, modifies, or deletes the authority.



Experimental Certificate of Public Convenience and Necessity

for

Route #718

This Certifies That

UNITED AIR LINES, INC.

is authorized, subject to the provisions of Subtitle VII of Title 49 of United States Code, the orders, rules, and regulations issued thereunder, and the attached Terms, Conditions, and Limitations, to engage in foreign air transportation of persons, property, and mail.

This Certificate is not transferable without the approval of the Department of Transportation.

By Direction of the Secretary

Issued by Order 96-10-30 On September 24, 1996 Effective on November 27, 1996 Charles A. Hunnicutt
Assistant Secretary for Aviation
and International Affairs

Terms, Conditions and Limitations

United Air Lines, Inc. for Route #718

is authorized to engage in foreign air transportation of persons, property and mail:

Between the terminal points Denver, Colorado; and Los Angeles, California; and the terminal point Vancouver, British Columbia, Canada.

This authority is subject to the following provisions:

- (1) The holder shall at all times conduct its operations in accordance with the regulations prescribed by the Department of Transportation for the services authorized by this certificate, and with such other reasonable terms, conditions, and limitations as the Department of Transportation may prescribe in the public interest.
- (2) The holder shall at all times conduct its operations in accordance with all treaties and agreements between the United States and other countries, and the exercise of the privileges granted by this certificate is subject to compliance with such treaties and agreements and with any orders of the Department of Transportation issued under them or for the purpose of requiring compliance with them.
- (3) The exercise of the authority granted here is subject to the holder's first obtaining from the appropriate foreign governments such operating rights as may be necessary.
- (4) The holder's authority is effective only to the extent that such operations are also authorized by the Federal Aviation Administration (FAA).
- (5) The holder shall at all times remain a "Citizen of the United States" as required by 49 U.S.C. 40102(a)(15).
- (6) The holder shall maintain in effect liability insurance coverage as required under 14 CFR Part 205. Failure to maintain such insurance coverage will render a certificate ineffective, and this or other failure to comply with the provisions of Subtitle VII of Title 49 U.S.C. or the Department's regulations shall be sufficient grounds to revoke this certificate.

^{*} This certificate is issued to reflect new authority to serve the Denver/Los Angeles-Vancouver markets. It also incorporates new standard terms and conditions applicable to U.S. carrier certificates and specific conditions applicable to U.S.-Canada operations.

- (7) Should the holder propose any substantial change in its ownership, management, or operations (as that term is defined in 14 CFR 204.2(n)), it must first comply with the requirements of 14 CFR 204.5.
- (8) In the event that the holder commences operations for which it was found "fit, willing, and able" and subsequently ceases all such operations, its authority under this certificate shall be suspended under the terms of 14 CFR 204.7 and the holder may not recommence nor advertise such operations unless its fitness to do so has been redetermined by the Department.
- (9) The holder acknowledges that this certificate is granted to determine if the holder's projected services, efficiencies, methods, rates, fares, charges, and other projected results will, in fact, materialize and remain for a sustained period of time, and to determine whether the holder will provide the innovative and low-priced air transportation it proposed in its application for this authority.
- (10) Any all-cargo services operated under this certificate shall be subject to the following condition:

Points in the territory of Canada shall not be combined on any same plane scheduled or nonscheduled all-cargo courier service operated with aircraft having a maximum certificated takeoff weight greater than 35,000 pounds.

- (11) In addition to the authority granted on this certificate, the holder may also conduct operations beyond points in Canada to points in third countries that it holds authority to serve, without local traffic rights between points in Canada and such other points in third countries (*i.e.*, on a blind sector basis).
- (12) The holder shall file notice with the Department if it discontinues service on this route for 45 days or longer. This notice shall be given as soon as a decision to discontinue service (other than seasonally) is made, but in no case later than the 46th day of dormancy. Notices shall be filed in the form of a letter addressed to the U.S. Department of Transportation, U.S. Air Carrier Licensing Division, X-44, 400 Seventh Street SW, Washington, DC 20590, and shall identify the dormant route segment, the certificated route number, and the date the 45th day of dormancy will or did occur.

This certificate shall become effective November 27, 1996; *provided*, *however*, that prior to the date on which the certificate would otherwise become effective, the Department either on its own initiative or upon the timely filing of a petition for reconsideration of the order issuing this certificate may by order or orders extend such effective date from time to time.

It shall expire five years thereafter unless the Department earlier suspends, modifies, or deletes the authority.

Order 96-10-30 Route #718 Page 3 of 3

Notwithstanding the above, however, the authority to serve shall expire: (a) the 45th day after the holder discontinues service on that segment or (b) the date the holder notifies the Department (as provided in this certificate), that the route is dormant, whichever occurs earlier; unless the Department earlier suspends, modifies, or deletes the authority.



Experimental Certificate of Public Convenience and Necessity

for

Route #719

This Certifies That

DELTA AIR LINES, INC.

is authorized, subject to the provisions of Subtitle VII of Title 49 of United States Code, the orders, rules, and regulations issued thereunder, and the attached Terms, Conditions, and Limitations, to engage in foreign air transportation of persons, property, and mail.

This Certificate is not transferable without the approval of the Department of Transportation.

By Direction of the Secretary

Issued by Order 96-10-30

On September 24, 1996

Effective on November 27, 1996

Charles A. Hunnicutt

Assistant Secretary for Aviation

and International Affairs

Terms, Conditions and Limitations

Delta Air Lines, Inc., for Route #719

is authorized to engage in foreign air transportation of persons, property and mail:

Between the terminal point Cincinnati, Ohio, and the terminal point Montreal, Canada.

This authority is subject to the following provisions:

- (1) The holder shall at all times conduct its operations in accordance with the regulations prescribed by the Department of Transportation for the services authorized by this certificate, and with such other reasonable terms, conditions, and limitations as the Department of Transportation may prescribe in the public interest.
- (2) The holder shall at all times conduct its operations in accordance with all treaties and agreements between the United States and other countries, and the exercise of the privileges granted by this certificate is subject to compliance with such treaties and agreements and with any orders of the Department of Transportation issued under them or for the purpose of requiring compliance with them.
- (3) The exercise of the authority granted here is subject to the holder's first obtaining from the appropriate foreign governments such operating rights as may be necessary.
- (4) The holder's authority is effective only to the extent that such operations are also authorized by the Federal Aviation Administration (FAA).
- (5) The holder shall at all times remain a "Citizen of the United States" as required by 49 U.S.C. 40102(a)(15).
- (6) The holder shall maintain in effect liability insurance coverage as required under 14 CFR Part 205. Failure to maintain such insurance coverage will render a certificate ineffective, and this or other failure to comply with the provisions of Subtitle VII of Title 49 U.S.C. or the Department's regulations shall be sufficient grounds to revoke this certificate.

^{*} This certificate is issued to reflect new authority to serve the Cincinnati-Montreal market. It also incorporates new standard terms and conditions applicable to U.S. carrier certificates and specific conditions applicable to U.S.-Canada operations.

- (7) Should the holder propose any substantial change in its ownership, management, or operations (as that term is defined in 14 CFR 204.2(n)), it must first comply with the requirements of 14 CFR 204.5.
- (8) In the event that the holder commences operations for which it was found "fit, willing, and able" and subsequently ceases all such operations, its authority under this certificate shall be suspended under the terms of 14 CFR 204.7 and the holder may not recommence nor advertise such operations unless its fitness to do so has been redetermined by the Department.
- (9) The holder acknowledges that this certificate is granted to determine if the holder's projected services, efficiencies, methods, rates, fares, charges, and other projected results will, in fact, materialize and remain for a sustained period of time, and to determine whether the holder will provide the innovative and low-priced air transportation it proposed in its application for this authority.
- (10) Any all-cargo services operated under this certificate shall be subject to the following condition:

Points in the territory of Canada shall not be combined on any same plane scheduled or nonscheduled all-cargo courier service operated with aircraft having a maximum certificated takeoff weight greater than 35,000 pounds.

- (11) In addition to the authority granted on this certificate, the holder may also conduct operations beyond points in Canada to points in third countries that it holds authority to serve, without local traffic rights between points in Canada and such other points in third countries (*i.e.*, on a blind sector basis).
- (12) The holder shall file notice with the Department if it discontinues service on this route for 45 days or longer. This notice shall be given as soon as a decision to discontinue service (other than seasonally) is made, but in no case later than the 46th day of dormancy. Notices shall be filed in the form of a letter addressed to the U.S. Department of Transportation, U.S. Air Carrier Licensing Division, X-44, 400 Seventh Street SW, Washington, DC 20590, and shall identify the dormant route segment, the certificated route number, and the date the 45th day of dormancy will or did occur.

This certificate shall become effective November 27, 1996; *provided*, *however*, that prior to the date on which the certificate would otherwise become effective, the Department either on its own initiative or upon the timely filing of a petition for reconsideration of the order issuing this certificate may by order or orders extend such effective date from time to time.

It shall expire five years thereafter unless the Department earlier suspends, modifies, or deletes the authority.

Order 96-10-30 Route #719 Page 3 of 3

Notwithstanding the above, however, the authority to serve shall expire: (a) the 45th day after the holder discontinues service on that segment or (b) the date the holder notifies the Department (as provided in this certificate), that the route is dormant, whichever occurs earlier; unless the Department earlier suspends, modifies, or deletes the authority.



Experimental Certificate of Public Convenience and Necessity

for

Route #720

This Certifies That

UNITED AIR LINES, INC.

is authorized, subject to the provisions of Subtitle VII of Title 49 of United States Code, the orders, rules, and regulations issued thereunder, and the attached Terms, Conditions, and Limitations, to engage in foreign air transportation of persons, property, and mail.

This Certificate is not transferable without the approval of the Department of Transportation.

By Direction of the Secretary

Issued by Order 96-10-30 On September 24, 1996 Effective on November 27, 1996 Charles A. Hunnicutt
Assistant Secretary for Aviation
and International Affairs

Terms, Conditions and Limitations

United Air Lines, Inc., for Route #720

is authorized to engage in foreign air transportation of persons, property and mail:

Between the terminal point Miami, Florida, and the terminal point Montreal, Canada.

This authority is subject to the following provisions:

- (1) The holder shall at all times conduct its operations in accordance with the regulations prescribed by the Department of Transportation for the services authorized by this certificate, and with such other reasonable terms, conditions, and limitations as the Department of Transportation may prescribe in the public interest.
- (2) The holder shall at all times conduct its operations in accordance with all treaties and agreements between the United States and other countries, and the exercise of the privileges granted by this certificate is subject to compliance with such treaties and agreements and with any orders of the Department of Transportation issued under them or for the purpose of requiring compliance with them.
- (3) The exercise of the authority granted here is subject to the holder's first obtaining from the appropriate foreign governments such operating rights as may be necessary.
- (4) The holder's authority is effective only to the extent that such operations are also authorized by the Federal Aviation Administration (FAA).
- (5) The holder shall at all times remain a "Citizen of the United States" as required by 49 U.S.C. 40102(a)(15).
- (6) The holder shall maintain in effect liability insurance coverage as required under 14 CFR Part 205. Failure to maintain such insurance coverage will render a certificate ineffective, and this or other failure to comply with the provisions of Subtitle VII of Title 49 U.S.C. or the Department's regulations shall be sufficient grounds to revoke this certificate.

^{*} This certificate is issued to reflect new authority to serve the Miami-Montreal market. It also incorporates new standard terms and conditions applicable to U.S. carrier certificates and specific conditions applicable to U.S.-Canada operations.

- (7) Should the holder propose any substantial change in its ownership, management, or operations (as that term is defined in 14 CFR 204.2(n)), it must first comply with the requirements of 14 CFR 204.5.
- (8) In the event that the holder commences operations for which it was found "fit, willing, and able" and subsequently ceases all such operations, its authority under this certificate shall be suspended under the terms of 14 CFR 204.7 and the holder may not recommence nor advertise such operations unless its fitness to do so has been redetermined by the Department.
- (9) The holder acknowledges that this certificate is granted to determine if the holder's projected services, efficiencies, methods, rates, fares, charges, and other projected results will, in fact, materialize and remain for a sustained period of time, and to determine whether the holder will provide the innovative and low-priced air transportation it proposed in its application for this authority.
- (10) The holder may combine services on this certificate with all services authorized by other Department of Transportation certificates or exemptions, <u>provided</u>, that such operations are consistent with applicable international agreements; and <u>provided further</u>, that (a) nothing in the award of the route integration authority requested should be construed as conferring upon the holder additional rights (including fifth freedom intermediate and/or beyond rights) to serve markets where U.S. carrier entry is limited unless the holder first notifies us of its intent to serve such a market and unless and until the Department has completed any necessary carrier selection procedures to determine which carrier(s) should be authorized to exercise such rights; and (b) should there be a request by any carrier to use the limited entry route rights that are included in the holder's authority by virtue of the route integration authority granted here, but not being used, the holding of such authority by route integration will not be considered as providing any preference for the holder in a competitive carrier selection proceeding to determine which carrier(s) should be entitled to use the authority at issue.
- (11) Any all-cargo services operated under this certificate shall be subject to the following condition:

Points in the territory of Canada shall not be combined on any same plane scheduled or nonscheduled all-cargo courier service operated with aircraft having a maximum certificated takeoff weight greater than 35,000 pounds.

(12) In addition to the authority granted on this certificate, the holder may also conduct operations beyond points in Canada to points in third countries that it holds authority to serve, without local traffic rights between points in Canada and such other points in third countries

(i.e., on a blind sector basis).

(13) The holder shall file notice with the Department if it discontinues service on this route for 45 days or longer. This notice shall be given as soon as a decision to discontinue service (other than seasonally) is made, but in no case later than the 46th day of dormancy. Notices shall be filed in the form of a letter addressed to the U.S. Department of Transportation, U.S. Air Carrier Licensing Division, X-44, 400 Seventh Street SW, Washington, DC 20590, and shall identify the dormant route segment, the certificated route number, and the date the 45th day of dormancy will or did occur.

This certificate shall become effective November 27, 1996; *provided, however*, that prior to the date on which the certificate would otherwise become effective, the Department either on its own initiative or upon the timely filing of a petition for reconsideration of the order issuing this certificate may by order or orders extend such effective date from time to time. It shall expire five years thereafter unless the Department earlier suspends, modifies, or deletes the authority.

Notwithstanding the above, however, the authority to serve shall expire: (a) the 45th day after the holder discontinues service on that segment or (b) the date the holder notifies the Department (as provided in this certificate), that the route is dormant, whichever occurs earlier; unless the Department earlier suspends, modifies, or deletes the authority.